

## Form CT-656

### Offer of Compromise

Rev. 09/04

#### Requirements

1. For a **partnership**: Each partner must complete an application.

For a **corporation**: Complete one application providing corporate information. Corporate officers may be required to provide additional personal financial records.

2. Complete the entire application; do not leave any questions unanswered. Write in the words **No** or **None** where applicable. Return the application to the Department of Revenue Services (DRS) with all required attachments.
3. If you cannot include all the requested information in the spaces provided on the application, attach additional sheets as appropriate.
4. Each applicant must provide copies of the following:
  - Last two federal income tax forms and returns for the corporation and corporate officers, proprietor, or partnership and partners filed with the Internal Revenue Service. Include all supporting schedules, W-2 or 1099 forms, or any other attachments;
  - Current consumer credit report;
  - All information related to salary, draws, and loans to the proprietor, partners, or corporate officers; **and**
  - Profit and loss statements for the two most recent years.
5. If you filed for bankruptcy within the past five years, provide a copy of the discharge notice.
4. While you are not required to submit a payment with your offer of compromise, any payment will be deposited by DRS and applied to your tax liability in accordance with Conn. Gen. Stat. §12-39h. Your payment will not be returned or refunded to you if you withdraw your offer or if your offer is rejected. The deposit by DRS of any payment you make does not constitute acceptance, conditional or otherwise, of your offer by DRS.
5. After your offer is conditionally accepted, but before you have paid the full amount of your offer, including any accrued interest, you will return to DRS, uncashed, any refund check issued to you and relating to a tax overpayment reported on any Connecticut tax return. The amount of the refund check will be applied to the amount of your offer.
6. By making your offer of compromise, you irrevocably and conclusively waive any and all rights and remedies you have to contest, in court or otherwise, your liability for the amount of your offer if your offer is conditionally accepted by DRS. If DRS rejects your offer or you withdraw your offer before it is rejected or conditionally accepted by DRS, you retain any rights and remedies, to the extent they have not lapsed or been exhausted, to contest your liability for the amount of your offer.
7. If DRS conditionally accepts your offer, then, upon your full and complete satisfaction of the terms in this paragraph, acceptance of your offer by DRS is final.
  - a. You pay the full amount of your offer and any accrued interest;
  - b. After your offer is conditionally accepted but before you have paid the full amount of your offer, including any accrued interest, you timely file all required Connecticut tax returns that become due;
  - c. After your offer is conditionally accepted but before you have paid the full amount of your offer, including any accrued interest, you do not begin a voluntary bankruptcy case by filing a petition with the U.S. Bankruptcy Court under Title 11 of the U.S. Code, and another person does not file an involuntary bankruptcy case against you; **and**
  - d. You have not misrepresented, with fraudulent intent, your ability to pay your original tax liability. If DRS determines you fraudulently misrepresented your ability to pay your original tax liability, your tax liability will revert to its original amount prior to the conditional acceptance of your offer.

#### Terms and Conditions

1. Upon receipt of your offer of compromise, DRS will either reject or conditionally accept your offer.
2. If DRS conditionally accepts your offer, final acceptance of your offer by DRS is conditioned on your full and complete satisfaction of the terms and conditions in Paragraph 7. If you fail to satisfy fully and completely these terms and conditions, your tax liability reverts to its original amount (prior to the conditional acceptance of your offer of compromise), and DRS may, without further notice, immediately take whatever steps necessary to collect the unpaid portion of your original tax liability.
3. DRS will reject your offer of compromise if at the time your offer is made:
  - You have not filed all required Connecticut tax returns;
  - You are being criminally prosecuted for a Connecticut tax liability; **or**
  - You have begun a voluntary bankruptcy case by filing a petition with the U.S. Bankruptcy Court under Title 11 of the U.S. Code, and another person has filed an involuntary bankruptcy case against you.

**Form CT-656**  
**Offer of Compromise**

Name, DBA, and Address of Taxpayer(s)		Date of Birth	
		Number of dependents claimed on federal income tax return	
Connecticut Tax Registration Number	Social Security Number or Federal Employer Identification Number	For DRS Use Only	
		Amount Paid	Date Received
To: Commissioner of Revenue Services	Date:	\$	

I understand this offer is based on doubt as to collectibility and will be accepted only after that fact has been established. A completed financial statement must be included with this offer.

I submit this offer to compromise the tax liabilities plus interest, penalties, additions to tax, and additional amounts required by law (tax liability) for the tax type and period(s) listed below.

Tax type	Period(s)	Is this bill under appeal?

I offer to pay \$ \_\_\_\_\_ by \_\_\_\_\_ .

DRS must receive payment within 30 days from the date the offer is accepted. Interest continues to accrue on any unpaid balance until the date it is paid in full.

**Important: Read All Requirements, Terms, and Conditions**

**Declaration:** I declare under penalty of law that I have examined this application and to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false application to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both.

Print Name	Signature	Date
Spouse's Name (if joint liability)	Spouse's Signature (if joint liability)	Date
Signature of Authorized DRS Official	Title	Date

Disposition:   ☐ Conditional Acceptance   ☐ Rejection

**A. Credit** *(All loans, credit cards, installment accounts, other debts, or past due federal, state, or municipal taxes)*

Name and Address of Creditors	Account Number	Credit Limit	Current Balance	Minimum Monthly Amount

**B. Bank Accounts** *(Savings, checking, certificates of deposit, IRA, Keough, etc.)*

Name and Address of Institution	Account Number	Account Type	Balance

**C. Real Estate**

Location (Number, street, town, state, ZIP code)	Type of Property	% of Ownership	Estimated Market Value	Balance of Mortgage	Mortgage Holder

**D. Automobiles, Furniture and Fixtures, Machinery and Equipment, Other Personal Property**

Type of Property	Location	Estimated Market Value	% of Ownership	Outstanding Liens

**E. Government and Marketable Securities**

Description	Number of Shares/ Face Value of Bonds	In Name of:	Market Value	Source of Value

**F. Receivables** *(Trade receivables, loans to officers, etc.)*

Name and Address of Creditors	Account Number	Credit Limit	Current Balance	Minimum Monthly Amount

**Declaration:** I declare under penalty of law that I have examined this application and to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false application to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both.

Applicant's Signature

Title

Date